

AMENDED IN SENATE APRIL 17, 2006

SENATE BILL

No. 1622

Introduced by Senator Escutia

February 24, 2006

An act to add Section 12693.335 to the Insurance Code, and to add Article 7.5 (commencing with Section 1120) to Chapter 4 of Part 1 of Division 1 of the Unemployment Insurance Code, relating to health insurance.

LEGISLATIVE COUNSEL'S DIGEST

SB 1622, as amended, Escutia. Healthy Families Program and Medi-Cal: employee eligibility.

Existing law provides for various health programs under which qualified low-income persons are provided health care services. These programs include the Medi-Cal program, which is administered by the State Department of Health Services, and the Healthy Families Program, which is administered by the Managed Risk Medical Insurance Board. Existing law also requires the Employment Development Department to administer the unemployment compensation system.

This bill would require the State Department of Health Services and the Managed Risk Medical Insurance Board to develop an informational document, referred to as the "Employee Notification of Eligibility for Healthy Families/Medi-Cal," containing certain information about the Healthy Families Program and the Medi-Cal program. The bill would require California employers, *as specified*, to provide the notice to employees, and would also require the Employment Development Department to notify ~~specified~~ *those*

employers of the requirements relating to the Employee Notification of Eligibility for Healthy Families/Medi-Cal.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 12693.335 is added to the Insurance
2 Code, to read:
3 12693.335. The board, in collaboration with the State
4 Department of Health Services, shall develop an informational
5 document, which may be referred to as the “Employee
6 Notification of Eligibility for Healthy Families/Medi-Cal,” that
7 California employers *described in Section 1120 of the*
8 *Unemployment Insurance Code* shall provide to their employees.
9 The document shall contain all of the following:
10 (a) A notification to employees of the availability of health
11 coverage for children through the Healthy Families Program and
12 the Medi-Cal program.
13 (b) A description of program eligibility including, but not
14 limited to, all of the following:
15 (1) Income eligibility criteria.
16 (2) A clarifying statement that declares individuals who
17 receive an income may meet program eligibility requirements.
18 (3) A clarifying statement that declares individuals who do not
19 receive income assistance may meet program eligibility
20 requirements.
21 (c) A description of how to obtain additional information
22 about the programs, as well as application materials and
23 enrollment instructions for the programs.
24 (d) The document shall be in a form that is easily duplicated
25 by employers and transmitted by the board to the Employment
26 Development Department.
27 (e) The document shall be made available in ~~both English and~~
28 ~~Spanish.~~ *English and in each language spoken by 5 percent or*
29 *more of the employer’s employees who are nonEnglish speaking*
30 *people, as defined in Section 7296.2 of the Government Code.*
31 SEC. 2. Article 7.5 (commencing with Section 1120) is added
32 to Chapter 4 of Part 1 of Division 1 of the Unemployment
33 Insurance Code, to read:

Article 7.5. Healthy Families Program and Medi-Cal

1120. (a) An employer *identified by the department pursuant to Section 1121* shall provide the Employee Notification of Eligibility for Healthy Families/Medi-Cal, as described in Section 12693.335 of the Insurance Code, to an employee hired on and after March 31, 2008, within 10 days from the date the employee was hired, or with the first itemized wage statement furnished pursuant to Section 226 of the Labor Code, whichever occurs first.

(b) An employer *identified by the department pursuant to Section 1121* shall provide an Employee Notification of Eligibility for Healthy Families/Medi-Cal to each person who is employed by that employer prior to March 31, 2008, within 90 days after the date that the Managed Risk Medical Insurance Board makes the document available on the Internet. However, an employer shall not be required to provide the notice prior to March 31, 2008.

1121. (a) The department shall identify industries, professions, and companies whose wage and compensation levels include a majority of employees potentially eligible for children's health insurance through the Healthy Families Program or ~~Medi-Cal~~ *the Medi-Cal program*. The department shall notify those identified employers who are registered with the department on December 31, 2007, of the requirements of this article. This notice may be provided in the department's "California Employer" quarterly newsletter, or other means used by the department to clearly, effectively, and concisely communicate with all employers in a form that any reasonable business person would know where to look for the information. The notice shall include the following information:

(1) The Internet Web site where employers may obtain the Employee Notification of Eligibility for Healthy Families/Medi-Cal.

(2) The telephone number to call to obtain the Employee Notification of Eligibility for Healthy Families/Medi-Cal.

(3) A statement that employers may not discontinue existing health care coverage for their employees to take advantage of the coverage offered under the Healthy Families Program and ~~Medi-Cal~~ *the Medi-Cal program*.

1 (b) The department shall notify the identified employers
2 described in subdivision (a) who register with the department
3 after December 31, 2007, of this article's requirements. This
4 notice shall provide the same information required under
5 paragraphs (1), (2), and (3) of subdivision (a).

6 (c) The department shall post the Employee Notification of
7 Eligibility for Healthy Families/Medi-Cal on the Internet in a
8 format that is easily downloaded in PDF format, text format, as
9 well as other appropriate formats.

10 1122. The department shall collaborate with the Managed
11 Risk Medical Insurance Board and the State Department of
12 Health Services to implement this article and the related
13 provisions of the Insurance Code relating to the Healthy Families
14 Program and ~~Medi-Cal~~ *the Medi-Cal program*. The department
15 may distribute information on behalf of the board if both
16 agencies determine it is the most cost-effective method of
17 distribution.